

## **SUMMARY SHEET**

### **I. Description of Item**

This resolution requests the Tennessee General Assembly support legislation amending Chapter 987 of the Public Acts of 1998, as amended, relative to the allocation and deposit of ad valorem tax revenues into community redevelopment trust funds. Currently, the law requires between 50% and 95% of annual ad valorem tax increments collected in a community development area be placed in a community redevelopment trust fund. This requirement results in a windfall stream of tax revenues when the community redevelopment plan includes tax-exempt property that comes on to the tax roll. In an effort to eliminate such a windfall, the proposed legislative amendment would allow the inclusion of the appraised value of tax-exempt property shown on the assessment roll for the base year, or, if there is no such value, the inclusion of the appraised value of tax-exempt property at the time such property first appears on the assessment roll.

### **II. Source and Amount of Funding**

Not applicable.

### **III. Contract Items**

Not applicable.

### **IV. Additional Information Relevant to Approval of this Item**

Not applicable.